

2001 DRAFTING REQUEST**Senate Amendment (SA-SB55)**Received: **04/24/2001**Received By: **chanaman**Wanted: **As time permits**

Identical to LRB:

For: **Legislative Fiscal Bureau**By/Representing: **Larson**This file may be shown to any legislator: **NO**Drafter: **champra**

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Subject: **Bus. Assn. - LLCs**

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Submit via email: **NO**

Requester's email:

Pre Topic:

LFB:.....Larson- Yank#130

Topic:

Administrative Dissolution of Limited Liability Companies

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/1	champra 04/26/2001	gilfokm 04/26/2001	pgreensl 04/26/2001	_____	lrb_docadmin 04/26/2001		

FE Sent For:

<END>

04/24/2001 04:44:54 PM

Page 1

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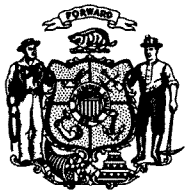
See Attached

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State of Wisconsin
2001 - 2002 LEGISLATURE

LRB-0712/4

RAC:cjs:kjf

DOA:.....Geisler – Business association fees

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

1 **AN ACT ...; relating to:** fees charged by the department of financial institutions
2 for providing certain services relating to the regulation of business
3 associations, authorizing the department of financial institutions to
4 administratively dissolve a limited liability company, and granting
5 rule-making authority.

Analysis by the Legislative Reference Bureau
COMMERCE AND ECONOMIC DEVELOPMENT
COMMERCE

This bill requires DFI to establish by rule fees for a number of services provided by DFI relating to the regulation of business associations, which fees are currently set by statute. The services include providing electronic access to, or preparing and supplying copies or certified copies of, certain resolutions, deeds, bonds, records, documents, or other papers deposited with or kept by DFI; issuing certificates or statements, in any form, relating to the results of searches of records and files of DFI; processing any service of process, notice, or demand served on DFI; processing, in an expeditious manner, a document required or permitted to be filed with DFI; providing, in an expeditious manner, electronic access to certain resolutions, deeds, bonds, records, documents, or other papers deposited with or kept by DFI; and

preparing, in an expeditious manner, certain copies, certified copies, certificates, or statements provided to DFI.

In addition, the bill authorizes DFI to administratively dissolve a limited liability company if any of the following occur: the limited liability company does not pay, within one year after they are due, any fees or penalties due DFI; the limited liability company is without a registered agent or registered office in this state for at least one year; and the limited liability company does not notify DFI within one year that its registered agent or registered office has been changed, that its registered agent has resigned, or that its registered office has been discontinued.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 178.48 (2) of the statutes is amended to read:

2 178.48 (2) The department shall collect a ~~\$10~~ the fee established under s.
3 182.01 (4) (c) each time process is served on the department under this chapter.

4 **SECTION 2.** 178.48 (3) of the statutes is amended to read:

5 178.48 (3) In addition to the fees required under sub. (1), the department shall
6 collect ~~\$25~~ the fee established under s. 182.01 (4) (d) for processing in an expeditious
7 manner a document required or permitted to be filed with the department under this
8 chapter.

9 **SECTION 3.** 179.16 (4) of the statutes is repealed.

10 **SECTION 4.** 179.16 (5) of the statutes is amended to read:

11 179.16 (5) The department shall charge and collect, for processing a document
12 required or permitted to be filed under this chapter in an expeditious manner, ~~or~~
13 ~~preparing the information under sub. (4) in an expeditious manner, the expedited~~
14 ~~service~~ the fee established under s. 182.01 (4) (d) in addition to the fee required by
15 other provisions of this chapter.

16 **SECTION 5.** 179.88 of the statutes is amended to read:

1 **179.88 Substituted service.** Service of process on the department under this
2 subchapter shall be made by serving of duplicate copies of the process on the
3 department, together with a the fee of \$10 established under s. 182.01 (4) (c). The
4 department shall mail notice of the service and a copy of the process within 10 days
5 addressed to the foreign limited partnership at its office in the state of its
6 organization. The time within which the foreign limited partnership may answer or
7 move to dismiss under s. 802.06 (2) does not start to run until 10 days after the date
8 of the mailing. The department shall keep a record of service of process under this
9 section showing the day and hour of service and the date of mailing.

10 **SECTION 6.** 180.0122 (1) (z) of the statutes is amended to read:

11 180.0122 (1) (z) Request for certificate or statement of status, \$5 the fee
12 established under s. 182.01 (4) (b).

13 **SECTION 7.** 180.0122 (2) of the statutes is amended to read:

14 180.0122 (2) The department shall collect a \$10 the fee established under s.
15 182.01 (4) (c) each time process is served on the department under this chapter. The
16 party to a civil, criminal, administrative or investigatory proceeding causing service
17 of process may recover this fee as costs if the party prevails in the proceeding.

18 **SECTION 8.** 180.0122 (4) of the statutes is amended to read:

19 180.0122 (4) In addition to the fees required under sub. (1), the department
20 shall collect the expedited service fee established under s. 182.01 (4) (d) for
21 processing in an expeditious manner a document required or permitted to be filed
22 under this chapter or and shall collect the fee established under s. 182.01 (4) (f) for
23 preparing in an expeditious manner a certificate of status under s. 180.0128 (1) to
24 (3) or a statement of status under s. 180.0128 (4).

25 **SECTION 9.** 181.0122 (1) (zm) of the statutes is amended to read:

1 181.0122 (1) (zm) Request for certificate or statement of status, ~~\$5 or, if~~
2 ~~information other than the information provided under s. 181.0128 (2) is requested,~~
3 ~~\$10 the fee established under s. 182.01 (4) (b).~~

4 **SECTION 10.** 181.0122 (2) of the statutes is amended to read:

5 181.0122 (2) PROCESS FEE. The department shall collect a ~~\$10 the fee~~
6 ~~established under s. 182.01 (4) (c)~~ each time process is served on the department
7 under this chapter. The party to a civil, criminal, administrative or investigatory
8 proceeding who is causing service of process may recover this fee as costs if the party
9 prevails in the proceeding.

10 **SECTION 11.** 181.0122 (4) of the statutes is amended to read:

11 181.0122 (4) EXPEDITED SERVICE FEE. In addition to the fees required under sub.
12 (1), the department shall collect the expedited service fee established under s. 182.01
13 (4) (d) for processing, in an expeditious manner, a document required or permitted
14 to be filed under this chapter ~~or~~ and shall collect the fee established under s. 182.01
15 (4) (f) for preparing, in an expeditious manner, a certificate of status under s.
16 181.0128 (2) or a statement of status under s. 181.0128 (4).

17 **SECTION 12.** 182.01 (4) of the statutes is repealed and recreated to read:

18 182.01 (4) PREPARATION OF COPIES, ISSUANCE OF CERTIFICATES, AND PERFORMANCE
19 OF SERVICES. The department shall establish by rule the fees for all of the following:

20 (a) Providing electronic access to, or preparing and supplying copies or certified
21 copies of, any resolution, deed, bond, record, document, or paper deposited with or
22 kept by the department under this section.

23 (b) Issuing certificates or statements, in any form, relating to the results of
24 searches of records and files of the department.

1 (c) Processing any service of process, notice, or demand served on the
2 department.

3 (d) Processing, in an expeditious manner, a document required or permitted to
4 be filed with the department.

5 (e) Providing, in an expeditious manner, electronic access to any resolution,
6 deed, bond, record, document, or paper deposited with or kept by the department
7 under this section.

8 (f) Preparing, in an expeditious manner, any copies, certified copies,
9 certificates, or statements provided under this section.

10 ✓ SECTION 13. 183.0105 (8) (c) of the statutes is amended to read:

11 183.0105 (8) (c) If Except as provided in par. (cm), if the address of the limited
12 liability company's principal office cannot be determined from the records of the
13 department, the limited liability company may be served by publishing a class 3
14 notice, under ch. 985, in the community where the limited liability company's
15 registered office, as most recently designated in the records of the department, is
16 located.

17 ✓ SECTION 14. 183.0105 (8) (cm) of the statutes is created to read:

18 183.0105 (8) (cm) If a process, notice, or demand is served by the department
19 on a limited liability company under s. 183.0911 and the address of the limited
20 liability company's principal office cannot be determined from the records of the
21 department, the limited liability company may be served by publishing a class 2
22 notice, under ch. 985, in the official state newspaper.

23 SECTION 15. 183.0114 (1) (t) of the statutes is amended to read:

24 183.0114 (1) (t) ~~Request for certificate or statement of status, \$5~~ the fee
25 established under s. 182.01 (4) (b).

1 ~~SECTION 16. 183.0114 (1) (u) of the statutes is amended to read:~~

2 ~~183.0114 (1) (u) Processing in an expeditious manner a document required or~~
3 ~~permitted to be filed under this chapter, or preparing in an expeditious manner a~~
4 ~~certificate or statement of status, \$25 the fee established under s. 182.01 (4) (d).~~

5 SECTION 17. 183.0910 of the statutes is created to read:

6 **183.0910 Grounds for administrative dissolution.** The department may
7 bring a proceeding under s. 183.0911 to administratively dissolve a limited liability
8 company if any of the following occurs:

9 (1) The limited liability company does not pay, within one year after they are
10 due, any fees or penalties due the department under this chapter.

11 (3) The limited liability company is without a registered agent or registered
12 office in this state for at least one year.

13 (4) The limited liability company does not notify the department within one
14 year that its registered agent or registered office has been changed, that its
15 registered agent has resigned, or that its registered office has been discontinued.

16 SECTION 18. 183.0911 of the statutes is created to read:

17 **183.0911 Procedure for and effect of administrative dissolution.** (1) If
18 the department determines that one or more grounds exist under s. 183.0910 for
19 dissolving a limited liability company, the department shall serve the limited
20 liability company under s. 183.0105 (8) with written notice of the determination.

21 (2) (a) Within 60 days after service of the notice is perfected under s. 183.0105
22 (8), the limited liability company shall correct each ground for dissolution or
23 demonstrate to the reasonable satisfaction of the department that each ground
24 determined by the department does not exist.

1 (b) If the limited liability company fails to satisfy par. (a), the department shall
2 administratively dissolve the limited liability company by issuing a certificate of
3 dissolution that recites each ground for dissolution and the effective date of
4 dissolution. The department shall file the original of the certificate and serve a copy
5 on the limited liability company under s. 183.0105 (8).

6 (3) Sections 183.0903 to 183.0905 and 183.0907 to 183.0909 apply to a limited
7 liability company that is administratively dissolved.

8 (4) A limited liability company's right to the exclusive use of its company name
9 terminates on the effective date of its administrative dissolution.

10 **SECTION 19.** 183.0912 of the statutes is created to read:

11 **183.0912 Reinstatement following administrative dissolution.** (1) A
12 limited liability company that is administratively dissolved may apply to the
13 department for reinstatement. The application shall include all of the following:

14 (a) The name of the limited liability company and the effective date of its
15 administrative dissolution.

16 (b) A statement that each ground for dissolution either did not exist or has been
17 cured.

18 (c) A statement that the limited liability company's name satisfies s. 183.0103.

19 (2) (a) The department shall cancel the certificate of dissolution and issue a
20 certificate of reinstatement that complies with par. (b) if the department determines
21 all of the following:

22 1. That the application contains the information required by sub. (1) and the
23 information is correct.

24 2. That all fees and penalties owed by the limited liability company to the
25 department under this chapter have been paid.

1 (b) The certificate of reinstatement shall state the department's determination
2 under par. (a) and the effective date of reinstatement. The department shall file the
3 certificate and provide a copy to the limited liability company or its representative.

4 (3) When the reinstatement becomes effective, it shall relate back to and take
5 effect as of the effective date of the administrative dissolution, and the limited
6 liability company may resume carrying on its business as if the administrative
7 dissolution had never occurred.

8 **SECTION 20.** 183.0913 of the statutes is created to read:

9 **183.0913 Appeal from denial of reinstatement.** (1) If the department
10 denies a limited liability company's application for reinstatement under s. 183.0912,
11 the department shall serve the limited liability company under s. 183.0105 (8) with
12 a written notice that explains each reason for denial.

13 (2) The limited liability company may appeal the denial of reinstatement to the
14 circuit court for the county where the limited liability company's principal office or,
15 if none in this state, its registered office is located, within 30 days after service of the
16 notice of denial is perfected. The limited liability company shall appeal by
17 petitioning the court to set aside the dissolution and attaching to the petition copies
18 of the department's certificate of dissolution, the limited liability company's
19 application for reinstatement, and the department's notice of denial.

20 (3) The court may order the department to reinstate the dissolved limited
21 liability company or may take other action that the court considers appropriate.

22 (4) The court's final decision may be appealed as in other civil proceedings.

23 **SECTION 21.** 185.83 (1) (d) of the statutes is amended to read:

1 185.83 (1) (d) Receiving services of any process, notice or demand, authorized
2 to be served on the department by this chapter, ~~\$10 the fee established under s.~~
3 ~~182.01 (4) (c).~~

4 **SECTION 22.** 185.83 (1) (f) of the statutes is repealed.

5 **SECTION 23.** 185.83 (1) (fm) of the statutes is repealed.

6 **SECTION 24.** 185.83 (1) (h) of the statutes is amended to read:

7 185.83 (1) (h) Processing a document required or permitted to be filed or
8 recorded under this chapter in an expeditious manner, ~~or preparing the information~~
9 ~~under par. (f) or (fm) in an expeditious manner, \$25 the fee established under s.~~
10 ~~182.01 (4) (d) in addition to the fee required by other provisions of this chapter.~~

11 **SECTION 9120. Nonstatutory provisions; financial institutions.**

12 (1) FEES CHARGED BY THE DEPARTMENT OF FINANCIAL INSTITUTIONS.
13 Notwithstanding sections 178.48 (2) and (3), 179.16 (5), 179.88, 180.0122 (1) (z), (2),
14 and (4), 181.0122 (1) (zm), (2), and (4), 182.01 (4), 183.0114 (1) (t) and (u), and 185.83
15 (1) (d), (f), (fm), and (h) of the statutes, as affected by this act, the department of
16 financial institutions shall continue to charge and collect the fees established under
17 sections 178.48 (2) and (3), 179.16 (5), 179.88, 180.0122 (1) (z), (2), and (4), 181.0122
18 (1) (zm), (2), and (4), 182.01 (4), 183.0114 (1) (t) and (u), and 185.83 (1) (f), (fm), and
19 (h), 1999 stats., until the department has promulgated rules under section 182.01 (4)
20 of the statutes, as affected by this act. This subsection shall not apply after December
21 31, 2002.

22 **SECTION 9420. Effective dates; financial institutions.**

(1) **FEEs; ANNUAL FILING REPORTS.** The treatment of sections 183.0105 (8) (c) and (cm), 183.0910, 183.0911, 183.0912, and 183.0913 of the statutes takes effect on January 1, 2002.

(END)



State of Wisconsin
2001 - 2002 LEGISLATURE

LRBb0079/1

RAC:.....

sem

LFB:.....Larson- Yank#130 Administrative Dissolution of Limited Liability
Companies

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

LFB AMENDMENT

TO 2001 SENATE BILL 55 AND 2001 ASSEMBLY BILL 144

*183.0165 (8)(c),
(cm)
183.0910
183.0911
183.0912, 183.0913*

1 At the locations indicated, amend the bill as follows:

2 ✓ **1.** Page 1352, line 6: delete lines 6 to 18.

3 ✓ **2.** Page 1353, line 1: delete the material beginning with that line and ending
4 with page 1355, line 17.

5 ✓ **3.** Page 1819, line 9: delete lines 9 to 11.

6 (END)

LFB:.....Larson– Yank#130, Administrative Dissolution of Limited Liability Companies

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2 **1.** Page 1352, line 6: delete lines 6 to 18.

3 **2.** Page 1353, line 1: delete the material beginning with that line and ending
4 with page 1355, line 17.

5 **3.** Page 1819, line 9: delete lines 9 to 11.

6 (END)